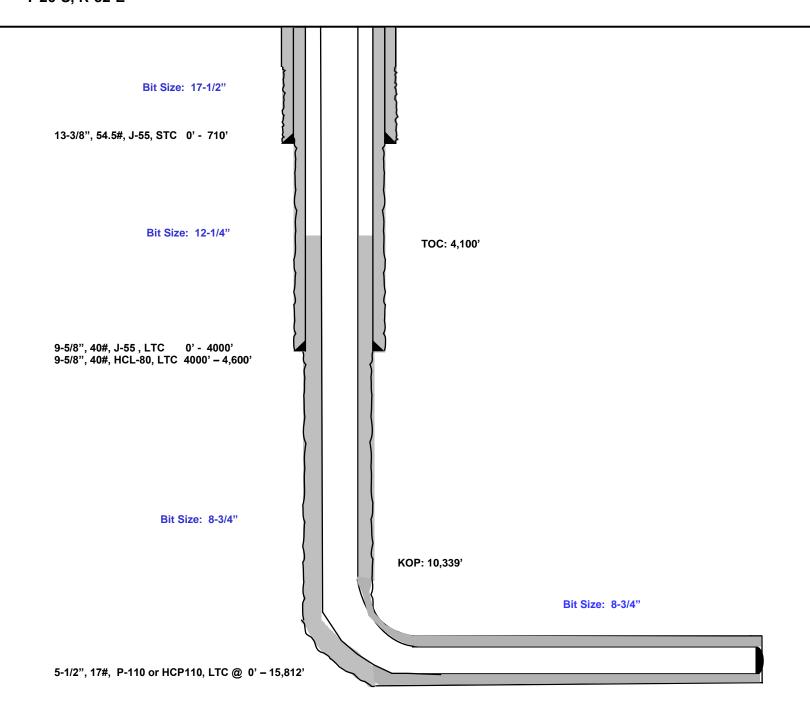
Quijote 2 State Com #506H Lea County, New Mexico

Proposed Wellbore

360' FNL 2,002' FEL Section 2 T-26-S, R-32-E

API: 30-025-****

KB: 3,355' GL: 3,330'



Lateral: 15,812' MD, 10,803' TVD BH Location: 100' FSL & 2,364 FEL Section 2 T-26-S, R-32-E

Permit Information:

Well Name: Quijote State Com #506H

Location:

SHL: 360' FNL & 2,002' FEL, Section 2, T-26-S, R-32-E, Lea Co., N.M. BHL: 100' FSL & 2,364 FEL, Section 2, T-26-S, R-32-E, Lea Co., N.M.

Casing Program:

| Hole Size | Interval | Csg OD | Weight | Grade | Conn | DF _{min} Collapse | DF _{min} Burst | DF _{min} Tension |
|--------------|-----------------|-----------|--------|---------|------|-------------------------------|----------------------------|------------------------------|
| 17.5" | 0' - 710' | 13.375" | 54.5# | J-55 | STC | 1.125 | 1.25 | 1.60 |
| 12.25" | 0'-4,000' | 9.625" | 40# | J-55 | LTC | 1.125 | 1.25 | 1.60 |
| 12.25" | 4,000' – 4,600' | 9.625" | 40# | HCL-80 | LTC | 1.125 | 1.25 | 1.60 |
| 8.75" | 0'-15,812' | 5.5" | 17# | HCP-110 | LTC | 1.125 | 1.25 | 1.60 |

Cement Program:

| | No. | Wt. | Yld | |
|---------|-------|------|---------------------|--|
| Depth | Sacks | ppg | Ft ³ /ft | Slurry Description |
| 710' | 300 | 13.5 | 1.73 | Lead: Class C + 4.0% Bentonite + 0.5% CaCl ₂ + 0.25 lb/sk |
| | | | | Cello-Flake (TOC @ Surface) |
| | 250 | 14.8 | 1.34 | Tail: Class C + 0.6% FL-62 + 0.25 lb/sk Cello-Flake + 0.2% |
| | | | | Sodium Metasilicate |
| 4,600' | 550 | 9.0 | 3.5 | Lead: Class C + 10% NaCl + 6% Bentonite Gel + 3% MagOx |
| | | | | (TOC @ Surface) |
| | 330 | 14.4 | 1.20 | Tail: Class C + 10% NaCl + 3% MagOx |
| 15,812' | 650 | 11.0 | 3.21 | Lead: Class C + 3% CaCl2 + 3% Microbond (TOC @ 4,100') |
| | | | | |
| | 1,550 | 14.4 | 1.2 | Tail: Class H + 0.4% Halad-344 + 0.35% HR-601 + 3% |
| | | | | Microbond |

Mud Program:

| Depth | Type | Weight (ppg) | Viscosity | Water Loss |
|-------------------|-------------|--------------|-----------|------------|
| 0' - 710' | Fresh - Gel | 8.6-8.8 | 28-34 | N/c |
| 710' – 4,600' | Brine | 10.0-10.2 | 28-34 | N/c |
| 4,600' – 10,339' | Cut Brine | 8.4-9.0 | 28-34 | N/c |
| 10,339' – 15,812' | Oil Base | 9.0-9.5 | 40-42 | 8-10 |
| Lateral | | | | |

Hydrogen Sulfide Plan Summary

- A. All personnel shall receive proper H2S training in accordance with Onshore Order III.C.3.a.
- B. Briefing Area: two perpendicular areas will be designated by signs and readily accessible.
- C. Required Emergency Equipment:
 - Well control equipment
 - a. Flare line 150' from wellhead to be ignited by flare gun.
 - b. Choke manifold with a remotely operated choke.
 - c. Mud/gas separator
 - Protective equipment for essential personnel.

Breathing apparatus:

- a. Rescue Packs (SCBA) 1 unit shall be placed at each breathing area, 2 shall be stored in the safety trailer.
- b. Work/Escape packs —4 packs shall be stored on the rig floor with sufficient air hose not to restrict work activity.
- c. Emergency Escape Packs —4 packs shall be stored in the doghouse for emergency evacuation.

Auxiliary Rescue Equipment:

- a. Stretcher
- b. Two OSHA full body harness
- c. 100 ft 5/8 inch OSHA approved rope
- d. 1-20# class ABC fire extinguisher
- H2S detection and monitoring equipment:

The stationary detector with three sensors will be placed in the upper dog house if equipped, set to visually alarm @ 10 ppm and audible @ 14 ppm. Calibrate a minimum of every 30 days or as needed. The sensors will be placed in the following places: Rig floor / Bell nipple / End of flow line or where well bore fluid is being discharged.

(Gas sample tubes will be stored in the safety trailer)

- Visual warning systems.
 - a. One color code condition sign will be placed at the entrance to the site reflecting the possible conditions at the site.
 - b. A colored condition flag will be on display, reflecting the current condition at the site at the time.
 - c. Two wind socks will be placed in strategic locations, visible from all angles.

■ Mud program:

The mud program has been designed to minimize the volume of H2S circulated to surface. The operator will have the necessary mud products to minimize hazards while drilling in H2S bearing zones.

■ Metallurgy:

All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service.

■ Communication:

Communication will be via cell phones and land lines where available.

Emergency Assistance Telephone List

| PUBLIC SAFETY: | | 911 or |
|---------------------------------|--------|---|
| Lea County Sheriff's Department | | (575) 396-3611 |
| Rod Coffman | | |
| Fire Department: | | |
| Carlsbad | | (575) 885-3125 |
| Artesia | | (575) 746-5050 |
| Hospitals: | | |
| Carlsbad | | (575) 887-4121 |
| Artesia | | (575) 748-3333 |
| Hobbs | | (575) 392-1979 |
| Dept. of Public Safety/Carlsbad | | (575) 748-9718 |
| Highway Department | | (575) 885-3281 |
| New Mexico Oil Conservation | | (575) 476-3440 |
| U.S. Dept. of Labor | | (575) 887-1174 |
| EOG Resources, Inc. | | |
| EOG / Midland | Office | (432) 686-3600 |
| Company Drilling Consultants: | | |
| David Dominque | Cell | (985) 518-5839 |
| Mike Vann | Cell | (817) 980-5507 |
| Drilling Engineer | | |
| Steve Munsell | Office | (432) 686-3609 |
| | Cell | (432) 894-1256 |
| Drilling Manager | | (- , |
| Aj Dach | Office | (432) 686-3751 |
| J | Cell | (817) 480-1167 |
| Drilling Superintendent | | , |
| Domingo Lopez | Office | (432) 686-3702 |
| | Cell | (432) 215-9452 |
| H&P Drilling | | , |
| H&P Drilling | Office | (432) 563-5757 |
| H&P 651 Drilling Rig | Rig | (903) 509-7131 |
| Tool Pusher: | | |
| Johnathan Craig | Cell | (817) 760-6374 |
| Brad Garrett | | , ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, |
| Safety | | |
| Brian Chandler (HSE Manager) | Office | (432) 686-3695 |
| Dian Chandre (1101 Manager) | Cell | (817) 239-0251 |
| | CCII | (017) 237-0231 |